

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

AUDIT OFFICE



42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA

INDEPENDENT AUDITOR'S REPORT  
AND FINANCIAL STATEMENTS

AUDIT REPORT #09-042  
FOR THE YEARS ENDED  
DECEMBER 31, 2008 AND 2007

42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA

INDEPENDENT AUDITOR'S REPORT  
AND FINANCIAL STATEMENTS

FOR THE YEARS ENDED  
DECEMBER 31, 2008 AND 2007

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AUDIT STAFF

Ron Shackelford, CPA  
Shakil Anwar, CPA  
Samprit Shergill

Audit Chief  
Assistant Audit Chief  
Auditor

AUDIT REPORT NUMBER

#09-042

42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA

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CALIFORNIA DEPARTMENT OF  
FOOD & AGRICULTURE

A. G. Kawamura, Secretary

Mr. John Noffsinger, President  
Board of Directors  
42nd DAA, Glenn County Fair  
221 E. Yolo Street  
Orland, California 95963

### INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statements of financial condition of the 42nd District Agricultural Association (DAA), Glenn County Fair, Orland, California, as of December 31, 2008 and 2007, and the related statements of operations and changes in accountability, and cash flows-regulatory basis for the years then ended. These financial statements are the responsibility of the 42nd DAA's management. Our responsibility is to express an opinion on these financial statements based on our audits.

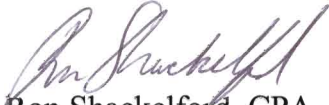
We have conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the 42nd DAA, Glenn County Fair, as of December 31, 2008 and 2007, and the results of its operations and changes in accountability, and cash flows-regulatory basis for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The 42nd DAA, Glenn County Fair has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.



Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Management Report #09-042, on the 42nd DAA's compliance with State laws and regulations and system of internal accounting control, is issued solely for the purpose of additional analysis and should be addressed by the 42nd DAA as appropriate. This additional report, however, is not a required part of the basic financial statements.

A handwritten signature in dark ink, appearing to read "Ron Shackelford", is positioned above the printed name.

Ron Shackelford, CPA  
Chief, Audit Office

September 10, 2009

**42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA**

STATEMENTS OF FINANCIAL CONDITION  
December 31, 2008 and 2007

	<u>Account Number</u>	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>			
Cash & Cash Equivalents	111 - 121	\$ 136,343	\$ 206,397
Accounts Receivable, Net	131	26,967	43,580
Deferred Charges	143	1,369	1,234
Construction in Progress	190	41,156	36,627
Land	191	2,900	2,900
Buildings and Improvements, Net	192	836,291	889,203
Equipment, Net	193	-	4,577
<b>TOTAL ASSETS</b>		<u><b>1,045,026</b></u>	<u><b>1,184,518</b></u>
<b>LIABILITIES AND NET RESOURCES</b>			
<b>Liabilities</b>			
Accounts Payable	212	9,211	13,213
Deferred Income	228	40,584	42,879
Guaranteed Deposits	241	350	150
Compensated Absences Liability	245	34,483	33,893
<b>Total Liabilities</b>		<u><b>84,628</b></u>	<u><b>90,136</b></u>
<b>Net Resources</b>			
Reserve for Junior Livestock Auction	251	4,332	10,403
Net Resources - Operations	291	891,970	150,673
Net Resources - Capital Assets less Related Debt	291.1	64,096	933,307
<b>Total Net Resources Available</b>		<u><b>960,398</b></u>	<u><b>1,094,383</b></u>
<b>TOTAL LIABILITIES AND NET RESOURCES</b>		<u><b>\$ 1,045,026</b></u>	<u><b>\$ 1,184,518</b></u>

**42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA**

STATEMENTS OF OPERATIONS/CHANGES IN ACCOUNTABILITY  
December 31, 2008 and 2007

	<u>Account Number</u>	<u>2008</u>	<u>2007</u>
<b>REVENUE</b>			
State Apportionments	312	\$ 150,000	\$ 150,000
Capital Projects Reimbursement Fund	319	4,529	22,957
Other Funds	340	38,451	63,258
Admissions	410	74,706	90,038
Commercial Space	415	19,075	17,351
Carnival	420	31,591	43,148
Food Concessions	421	31,847	34,571
Exhibits	430	8,164	8,594
Horse Show	440	3,430	3,465
Orland Railroad	450	4,322	4,875
Attractions - Fairtime	460	14,342	17,158
Miscellaneous Fair	470	43,236	48,281
Miscellaneous Non-Fair	47005	864	956
JLA - Revenue	476	62,636	50,155
Non-Fair Revenue	480	113,329	127,648
Prior Year Adjustment	490	267	(553)
Other Revenue	495	22,154	10,372
<b>Total Revenue</b>		<u><b>622,943</b></u>	<u><b>692,274</b></u>
<b>EXPENSES</b>			
Administration	500	153,315	132,368
Maintenance and Operations	520	239,462	217,667
Publicity	540	18,607	18,973
Attendance	560	38,573	37,329
Miscellaneous Fair & Non-Fair	570	22,693	22,840
JLA - Expense	576	68,706	54,006
Premiums	580	19,924	19,354
Exhibits	630	36,286	36,382
Horse Show	640	4,229	3,770
Orland Railroad	650	4,458	6,920
Attractions - Fairtime	660	54,940	53,301
Equipment	723	473	487
Prior Year Adjustments	800	(2,356)	(1,757)
Cash Over/Short from Ticket Sales	850	52	34
Depreciation	900	59,115	57,783
Other Operating Expense	945	38,451	63,258
<b>Total Expenses</b>		<u><b>756,928</b></u>	<u><b>722,716</b></u>
<b>RESOURCES</b>			
Net Change - Income / (Loss)		(133,985)	(30,442)
Resources Available, January 1		1,094,383	1,124,825
<b>Resources Available, December 31</b>		<u><b>\$ 960,398</b></u>	<u><b>\$ 1,094,383</b></u>

**42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA**

STATEMENTS OF CASH FLOWS- REGULATORY BASIS  
Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Excess of Revenues Over Expenses (Expenses Over Revenue)	\$ (133,985)	\$ (30,442)
(Increase) Decrease in Accounts Receivable	16,613	(10,497)
(Increase) Decrease in Deferred Charges	(135)	(605)
Increase (Decrease) in Accounts Payable	(4,002)	6,348
Increase (Decrease) in Deferred Income	(2,295)	27,246
Increase (Decrease) in Compensated Absence Liability	590	4,190
Increase (Decrease) in Guaranteed Deposits	200	150
Total Adjustments	<u>10,971</u>	<u>26,833</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u><b>(123,014)</b></u>	<u><b>(3,609)</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
(Increase) Decrease in Buildings and Improvements	52,912	29,947
(Increase) Decrease in Construction in Progress	(4,529)	(1,208)
(Increase) Decrease in Equipment	<u>4,577</u>	<u>4,577</u>
<b>Net Cash Provided (Used) by Investing Activities</b>	<u><b>52,960</b></u>	<u><b>33,316</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Increase (Decrease) in Long-Term Liability	<u>-</u>	<u>-</u>
<b>Net Cash Provided (Used) by Financing Activities</b>	<u><b>-</b></u>	<u><b>-</b></u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(70,054)</b>	<b>29,707</b>
Cash at Beginning of Year	206,397	176,690
<b>CASH AT END OF YEAR</b>	<u><u><b>\$ 136,343</b></u></u>	<u><u><b>\$ 206,397</b></u></u>

**42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA**

**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2008 and 2007

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization - The 42nd District Agricultural Association (DAA) was formed in March 1937, for the purpose of sponsoring, managing, and conducting the Glenn County Fair each year in Orland, California. The State of California, Department of Food and Agriculture, through the Division of Fairs and Expositions provides oversight responsibilities to the DAA. The DAA is subject to the policies, procedures, and regulations set forth in the California Government Code, California Business and Professions Code, Public Contracts Code, Food and Agricultural Code, State Administrative Manual, and the Accounting Procedures Manual established by the Division of Fairs and Expositions.

The State of California allocates funds annually to the DAA's to support operations and acquire fixed assets. However, the level of State funding varies from year to year based on budgetary constraints. The Division of Fairs and Expositions determines the amount of the allocations.

Basis of Accounting - The accounting policies applied to and procedures used by the DAA conform to accounting principles applicable to District Agricultural Associations as prescribed by the State Administrative Manual and the Accounting Procedures Manual. The DAA's activities are accounted for as an enterprise fund. The Governmental Accounting Standards Board defines an enterprise fund as a fund related to an organization financed and operated in a manner similar to a private business enterprise where the intent is to recover the costs of providing goods or services to the general public primarily through user charges.

The DAA's financial activities are accounted for using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Governmental Accounting Standards Board. Thus, revenues are reported in the year earned rather than collected, and expenses are reported in the year incurred rather than paid.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the

reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes – The DAA is a state agency and therefore, is exempt from paying taxes on its income.

Cash and Cash Equivalents – The DAA's cash and cash equivalents are separately held in various local banks. The Financial Accounting Standards Board defines cash equivalents as short-term, highly liquid investments that are both: (1) readily convertible to known amounts of cash; and (2) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. The cost of all cash equivalents of the DAA approximates market value.

The California State Treasury makes available the Local Agency Investment Fund (LAIF) through which local governments may pool investments. Each governmental entity may invest up to \$40,000,000 in the fund. Investments in the LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest.

In accordance with the Accounting Procedures Manual, the DAA is authorized to deposit funds in certificates of deposit and interest bearing accounts. However, Government Code Sections 16521 and 16611 require the bank or savings and loan association to deposit, with the State Treasurer, securities valued at 110 percent of the uninsured portion of the funds deposited with the financial institution. Government Code Sections 16520 and 16610 provide that security need not be required for that portion of any deposit insured under any law of the United States, such as FDIC and FSLIC.

Property and Equipment - Construction-in-progress, land, buildings and improvements, and equipment are acquired with operating funds and funds allocated by the State. Any acquired assets, if greater than \$5,000 and a useful life of one or more years, are capitalized and depreciated. Buildings and improvements are depreciated over a period of 30 years, and purchases of equipment are depreciated over five years. Amounts spent on repair and maintenance costs are expensed as incurred by the Fair. Furthermore, donated building improvements, and equipment are recorded at their fair market value at the date of the gift. This recorded basis is depreciated over the useful lives identified above. Amounts spent on projects that have not been placed in service are recorded in Account #190, Construction-in-Progress and no depreciation is recorded on Construction-in-Progress until the project is completed and the asset is placed in service.

Sales Taxes – The State of California imposes a sales tax on all of the DAA's sales of merchandise. The DAA collects that sales tax from customers and remits the entire amount to the state Board of Equalization. The DAA's

accounting policy is to exclude the tax collected and remitted to the State from revenues and cost of sales.

Compensated Absences - Pursuant to Statement No. 16 of the Governmental Accounting Standards Board, State and local governmental entities are required to report the liability for compensated absences. Compensated absences are absences for which permanent employees will be paid, such as vacation, personal leave, and compensatory time off. The compensated absences liability is calculated based on the pay rates in effect at the balance sheet date.

**NOTE 2      CASH AND CASH EQUIVALENTS**

The following list of cash and cash equivalents were held by the DAA as of December 31:

	<u>2008</u>	<u>2007</u>
Petty Cash	\$ 75	\$ 75
Cash in Bank – Operating	18,765	19,855
Cash in Bank – JLA	4,332	10,403
Cash in Bank – LAIF	113,171	176,064
Total Cash and Cash Equivalents	<u>\$ 136,343</u>	<u>\$ 206,397</u>

**NOTE 3      ACCOUNTS RECEIVABLE**

The DAA is required to record an allowance for doubtful accounts based on estimates of collectibility.

	<u>2008</u>	<u>2007</u>
Accounts Receivable - Trade	\$ 22,437	\$ 28,473
Accounts Receivable – F&E	4,530	15,107
Allowance for Doubtful Accounts	<u>00</u>	<u>00</u>
Accounts Receivable – Net	<u>\$ 26,967</u>	<u>\$ 43,580</u>

**NOTE 4      PROPERTY AND EQUIPMENT**

Buildings and improvements, and equipment at December 31, 2008 and 2007 consist of the following:

	<u>2008</u>	<u>2007</u>
Building & Improvements	\$ 2,447,045	\$2,447,045
Less: Accumulated Depreciation	<u>(1,610,754)</u>	<u>(1,557,842)</u>
Building & Improvements – Net	<u>\$ 836,291</u>	<u>\$ 889,203</u>

Equipment	\$ 67,419	\$ 67,419
Less: Accumulated Depreciation	(67,419)	(62,842)
Equipment – Net	<u>\$ 00</u>	<u>\$ 4,577</u>

NOTE 5

**RETIREMENT PLAN**

Permanent employees of the DAA are members of the Public Employees' Retirement System (PERS), which is a defined benefit contributory retirement plan. The retirement contributions made by the DAA and its employees are actuarially determined. Contributions plus earnings of the Retirement System will provide the necessary funds to pay retirement costs when accrued. The DAA's share of retirement contributions is included in the cost of administration. For further information, please refer to the annual single audit of the State of California.

Retirement benefits fully vest after five years of credited service for Tier I employees. Retirement benefits fully vest after ten years of credited service for Tier II employees. Upon separation from State employment, members' accumulated contributions are refundable with interest credited through the date of separation. The DAA, however, does not accrue the liability associated with vested benefits.

The Alternate Retirement Program (ARP) is a retirement savings program that certain employees hired on or after August 11, 2004 are automatically enrolled in for their first two years of employment with the State of California. ARP is administered by the Savings Plus Program with the Department of Personnel Administration and invests funds in a fixed-income fund. ARP provides two years of retirement savings (five percent of paycheck amount each month) in lieu of two years of service credit. At the end of the two-year period, the deductions are placed in CalPERS and the retirement service credit begins.

Temporary, 119-day, employees of the DAA participates in the Part-Time, Seasonal, Temporary (PST) Retirement Plan. The PST Retirement Plan is a mandatory deferred compensation plan under which 7.5% of the employee's gross salary is deducted before taxes are calculated. These pre-tax dollars are placed in a guaranteed savings program. The employee has the option of leaving these funds on deposit upon separation, or requesting a refund.

NOTE 6

**RECLASSIFICATION**

Certain prior-year balances have been reclassified to conform to current year presentation. This reclassification did not have an effect on net income.

**42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA**

**REPORT DISTRIBUTION**

<u>Number</u>	<u>Recipient</u>
1	President, 42nd DAA Board of Directors
1	Chief Executive Officer, 42nd DAA
1	Director, Division of Fairs and Expositions
1	Chief Counsel, CDFA Legal Office
1	Chief, CDFA Audit Office

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

AUDIT OFFICE



42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA

MANAGEMENT REPORT #09-042

YEAR ENDED DECEMBER 31, 2008

42ND DISTRICT AGRICULTURAL ASSOCIATION  
GLENN COUNTY FAIR  
ORLAND, CALIFORNIA

MANAGEMENT REPORT  
YEAR ENDED DECEMBER 31, 2008

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AUDIT STAFF

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Ron Shackelford, CPA  
Shakil Anwar, CPA  
Samprit Shergill

Audit Chief  
Assistant Audit Chief  
Auditor

MANAGEMENT REPORT NUMBER  
#09-042

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CALIFORNIA DEPARTMENT OF  
FOOD & AGRICULTURE

A. G. Kawamura, Secretary

John Noffsinger, President  
Board of Directors  
42nd DAA, Glenn County Fair  
221 E. Yolo Street  
Orland, California 95963

In planning and performing our audit of the financial statements of the 42nd District Agricultural Association (DAA), Glenn County Fair, Costa Mesa, California, for the year ended December 31, 2008, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure. However, we noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

In addition, this Management Report includes: (1) matters other than those related to the internal control structure which came to our attention that could, in our judgment, either individually or in the aggregate, have a significant effect on the entity's financial reporting process (e.g., accounting errors, significant audit adjustments, etc.), and (2) areas of non-compliance by the Glenn County Fair with respect to State laws and regulations, with the Accounting Procedures Manual, and with established policies and procedures.

In accordance with Government Code Section 13402, Fair managers and Board of Directors are responsible for the establishment and maintenance of a system or systems of internal accounting and administrative control within their agencies. This responsibility includes documenting the system, communicating system requirements to employees, and assuring that the system is functioning as prescribed and is modified, as appropriate, for changes in conditions.

Due to the small size of the 42nd DAA's office staff, it is not practical to have the degree of segregation of duties possible in a larger organization. Therefore, the Board of Directors must consider this when determining the extent that the Board becomes involved in operations to adequately safeguard the 42nd DAA's assets. The system of internal control should provide the Board of Directors and management reasonable, but not absolute,



assurance that: (1) only authorized transactions are executed; (2) transactions are properly recorded in the accounting records; and (3) material errors and irregularities that may occur, will be detected by the 42nd DAA in a timely manner during the normal course of operations. In this regard, it is particularly important that the Board review and approve significant transactions and critically review monthly financial information. The 42nd DAA's minimum staffing was one factor considered in determining the nature, timing, and extent of the tests to be performed on the 42nd DAA's accounting procedures, records, and substantiating documents.

During our review of the internal control structure of the 42th DAA and compliance with State laws and regulations, we identified no areas with reportable conditions.

We did however identify additional areas containing non-reportable conditions. These conditions and accompanying recommendations are not considered significant weaknesses. We have included these items solely for the benefit of the 42nd DAA's management. We suggest the Fair implement the recommendations as soon as practicable. The Fair, however, is not required to provide written responses to the recommendations for non-reportable conditions.

## NON-REPORTABLE CONDITIONS

### INTERNAL CONTROLS OVER CONCESSIONS REVENUE

An examination of the Fair's control over concessions revenue identified the following internal control weaknesses:

- a. The Fair exposed itself to potential loss of revenue by not enforcing adequate controls over the use of cash registers during fairtime by food concessionaires. It was noted that one of the concessionaire's daily seller's report did not support the cash register z-tapes provided. The cash register tape provided did not have the gross sales figure to determine the accurate amount of sales during the day, thereby making the information submitted impossible to verify. The accounting procedures manual requires all concessionaires, who contract to pay a set percentage, to use modern cash registers and submit z-tapes to verify gross sales reported for the day.
- b. In addition, the Fair in one instance did not collect the required documentation to support sales made during fairtime by the concessionaire. As a result, our office was unable to verify whether this concessionaire forwarded the appropriate amount due to the Fair.

#### *Recommendations*

*The Fair should comply with the accounting procedures manual and require all food concessionaires to provide proper cash register z-tapes to support all transactions on a daily basis. The purpose of the cash register z-tape is to ensure adequate supporting documentation exists so that the Fair can audit and verify the reported daily sales.*

*The Fair should collect all required documentation from the concessionaire to support the amount of sales made by the concessionaire during fairtime.*

### TEMPORARY EMPLOYEES

The Fair did not properly track the number of hours worked by temporary employees to ensure that the 1,000-hour limitation in a fiscal year is not exceeded. As a result, the Fair incorrectly calculated the number of hours worked by two temporary employees in a fiscal year. Although the employees did not exceed the 1,000-hours limitation in fiscal year 2008/2009 there is a possible issue of proper tracking of 1,000-hours for the 119-day employees by the Fair. Once 1,000 hours are exceeded in any given fiscal year, temporary employees automatically become members of the Public Employee Retirement System (PERS). Therefore, the part-time, seasonal, and temporary (PST) deduction of 7.5% should no longer be deducted. Instead, social security tax must be deducted. As a result, the Fair can be exposed to potential liabilities from both PERS and the Internal Revenue Service (IRS).

*Recommendation*

*The Fair should ensure that proper tracking of the number of hours worked by all temporary employees on a fiscal year basis are maintained. Any employee who works more than 1,000 hours within the fiscal year should be enrolled in PERS.*

**STANDARD AGREEMENTS**

An examination of the Fair's standard contracts identified the following conditions that demonstrate weakness in compliance with existing State rules and regulations:

- a. In reviewing standard agreements, our office noted the Fair did not prepare a Form 1099 MISC, for an independent contractor who received \$2,923 from the Fair. When required, a Form 1099 should be prepared for each person who receives \$600 or more from the Fair.
- b. Furthermore, the Fair paid a contractor in excess of their contract terms with no amendment to the original contract regarding the change in payment terms. Standard contract terms, per the Division of Fairs & Expositions (F&E) Contract Manual, require that contract modification be made by formal amendment. At a minimum, any change in the terms and conditions should be initialed and dated by both parties.

*Recommendations*

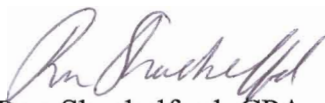
*The Fair should comply with federal reporting laws and ensure a Form 1099 MISC is issued when required to all independent contractors that receive \$600 or more from the Fair.*

*The Fair should ensure that any changes made to the original contract are documented. The Fair either can make changes on the original contract and have both parties initial and date it, or an amended contract should be prepared reflecting new terms and conditions.*

### DISPOSITION OF AUDIT RESULTS

The findings in this management report are based on fieldwork that my staff performed between August 31, 2009 and September 10, 2009. My staff met with management on September 10, 2009 to discuss the findings and recommendations, as well as other issues.

This report is intended for the information of the Board of Directors, management, and the Division of Fairs and Expositions. However, this report is a matter of public record and its distribution is not limited.



Ron Shackelford, CPA  
Chief, Audit Office

September 10, 2009

**REPORT DISTRIBUTION**

<u>Number</u>	<u>Recipient</u>
1	President, 42nd DAA Board of Directors
1	Chief Executive Officer, 42nd DAA
1	Director, Division of Fairs and Expositions
1	Chief Counsel, CDFA Legal Office
1	Chief, CDFA Audit Office